

President Clinton Highlights Treasury's Reinvention Work

On June 9, 1995, President Clinton and Vice President Gore visited the Department of the Treasury to

publicize key Treasury initiatives that reduce burden on small business owners and individuals by streamlining wage and income reporting requirements. This special televised visit to the Cash Room was largely inspired by the efforts of all Treasury

components to reduce the burden of regulations, to emphasize customer service, and to seek out partnerships with other agencies and state governments.

The President and Vice President were joined at the podium by Secretary Rubin and a small business owner from Texas, Mr. Paul Condit. Mr. Condit discussed some of the paperwork burdens government places on him, and he endorsed the efforts of

the President to streamline the regulations. Mr. Condit also signed, as a witness, a Memorandum of Understanding (MOU) addressing a multi-agency project to simplify tax and wage reporting. The MOU was signed by Secretary Rubin, Deputy Secretary Thomas Glynn of the Department



of Labor, Social Security Administration Commissioner Shirley Chater, and Internal Revenue Service Commissioner Margaret Richardson.

Over 200 people were present in the Cash Room for the event. In addition to representatives from the various government agencies, there were representatives from small businesses, trade associations, congressional staffs, the press corps, and the National Performance Review.

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The Power of Quality in Government: Methods and Messages

Mr. George Muñoz, Assistant Secretary for Management & CFO delivered the keynote address at the Government Assistance Program's Model of Excellence seminar in Chicago, Illinois on April 20, 1995. The April-May 1995 Reinvention Update contained the initial part of this speech which reflected on the National Performance Review Reinvention

progress since its inception in September 1993.

In this address, Mr. Muñoz discussed Phase II of Reinvention which was launched in January 1995. Each agency conducted a self-examination by asking questions such as, "Based on customer input, are our programs and functions important to the mission of this agency?" Further, each agency was asked to consider the effectiveness of privatization or having the function performed by state or local governments. Much of the remainder of the speech was focused on

four points: (a) the nexus between Reinvention and quality; (b) rewarding people for "results, not red tape;" (c) improving customer service by having each agency establish customer service standards and measure results; and (d) the role of the Government Performance and Results Act (GPRA) in moving Reinvention forward.

If you desire a complete copy of the speech, please contact Jewel Lucas in the Office of Treasury Reinvention on 202-927-5907.

REINVENTION UPDATE

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NOTE:

The Treasury Reinvention Team has been renamed as the Office of Treasury Reinvention; and is now a permanent office under the Deputy Assistant Secretary (Departmental Finance and Management).

HELLO TEAM #5

HELLO TEAM #5 OTR DIRECTOR SELECTED

Every six months, the Department of the Treasury injects new ideas into its Reinvention efforts by involving new people in the Office of Treasury Reinvention.

Treasury's Reinvention Team #4 returned to their home agencies in May where they will share their knowledge with their agencies. Returning to their agencies were:

Diane Durnin to Treasury

Dexter Gould to ATF

Bill Lovelace to IRS

Judith Diaz Myers to BEP

Katie Osborne to OCC

Ronelle Rotterman to USCS

Spencer Sakai to FMS

Chris Sheridan to USCS

Ann Albin to OTS

The newly arriving Team #5 includes:

Edd Barnes from BPD

James Coleman from IRS

Danny Collins from IRS

Chris Egger from IRS

Ed Garcia from Treasury

Marlene Lovelace from BEP

Esther Mandelay from USCS

Dave Purcell from ATF

Bert Vint from USSS

Tony Wildt from OCC

There are also some key players from Team #4 who signed up for a second six month tour as part of Team #5. Of course they provide important historical perspective. They are Gina Myers from FMS and Al Aren from USCS. More important still is the leadership of the Office of Treasury Reinvention. Anthony A. Fleming was selected as the permanent Director in June. Tony came from ATF. Congratulations, Tony.

Have you reinvented your job today?

First, I should say that I'm the new editor; this is the first issue I've (along with the rest of the new team) produced. So I am not able to take credit for the successes or the shortcomings of the previous issues. But, I do thank you for your comments; keep them coming. These comments let us know that someone out there is reading our publication, help us identify what you want to hear, and keep us on our toes.

Our goal in publishing this newsletter is to help you reinvent by describing examples of what others have accomplished so you can get ideas on how to reinvent something yourself. Many reinvention initiatives are occurring at Treasury that people aren't even aware of. Some of these efforts already have received recognition or awards before we hear about them here at the Office of Treasury Reinvention. This issue includes an article specifically on the reinvention efforts that received the National Performance Review's hammer award along with a short article on the background of the Hammer award. Remember though, the intent is to keep you informed so that you can reinvent something yourself.

*“ YOU are the
reinventors...After all,
YOU know what You
do best. ”*

YOU are the reinventors. Everyday you come to work, you can reinvent something if you spend a little time on it. After all, YOU know what YOU do best. Sure, maybe reinventing your boss's job or the entire taxation system of the United States may not be something you do tomorrow, but what about YOUR job. Maybe just treating the next person a little nicer, finding out who the person on the phone should be calling instead of telling them they have the wrong office, faxing someone the copy instead of sending it in the mail ... or whatever, YOU have the power to improve. What we can't do is easy to figure out. Why we can't do it is equally easy to determine. But, if you have some examples of reinvention, we want to hear about them, though please keep in

mind that we can't print them all (hopefully, because there will be too many). In particular, we are looking for stories which might be inspirational to others or particularly outstanding in the benefits to our employers (the taxpayers). Sharing your ideas and successes at improving things is what we're all about. Send us as many as you can think of! Thank You!

The accompanying article tells the stories of 14 Treasury Department teams that were selected to receive "Hammer" awards. The new members of the Office of Treasury Reinvention staff wanted to know-and wanted you to know-the genesis of the Hammer award.

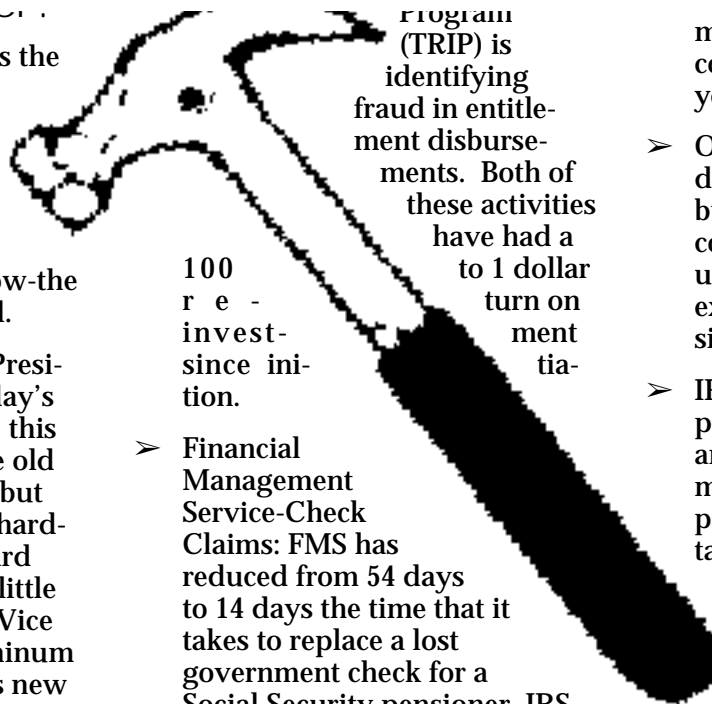
The Hammer Award is Vice President Gore's answer to yesterday's 600.00 government hammer; this hammer looks the same as the old one, does the job just as well, but costs only \$6.00 at your local hardware store. Fittingly, the award consists of a \$6.00 hammer, a little ribbon, and a note card from Vice President Gore, all in an aluminum frame. This award recognizes new standards of excellence achieved by teams helping to reinvent government. The awards are presented to teams comprised of federal employees, state and local employees, and citizens who are working to build a better government by putting customers first, cutting red tape and empowering front-line workers.

Treasury Employees Receive Hammer Awards

Treasury employees in Washington D.C. and from Maine to Michigan were recently honored by being chosen to receive the "Hammer" award from Vice President Gore's National Performance Review organization. In addition, state government employees in Maine and Michigan received the awards for their participation in the projects. A total of 14 groups of employees who have found ways to improve the functions will be presented the awards by Secretary Rubin in a ceremony in September coinciding with the second anniversary of NPR.

The Treasury groups receiving the awards and the projects they worked on were:

- > U. S. Secret Service-Risk Analysis: In dealing with bank fraud, USSS has begun to identify major violators, with the focus on prevention as opposed to the traditional reactionary posture.



- 100 re-invested since initiation.
- > Financial Management Service-Check Claims: FMS has reduced from 54 days to 14 days the time that it takes to replace a lost government check for a Social Security pensioner, IRS tax refund recipient, or VA or OPM check recipient.
- > Financial Management Service-Center for Applied Management: FMS has created the Center to provide other government agencies the expertise needed to improve their financial management performance.
- > U.S. Mint-Customer Service: Mint has improved turnaround time for customer orders from 50 percent in eight weeks to 95 percent in four weeks; also implemented one-stop customer service.
- > U. S. Customs Service-Carrier Initiative Program: Customs has entered into partnerships with over 2,300 air and vessel carriers which encourage the carriers to take actions to prevent the use of their aircraft or vessels from being used in the smuggling of narcotics into the U.S.. The initiative has resulted in reduced quantities of illegal drugs carried on board conveyances, as well as significantly increased the cooperation between the carriers and Customs.
- > U. S. Customs Service-Passenger Operations: Through passenger profile developments and improved procedures, the

minutes of luggage claim compared to 20-30 minutes four years ago.

- > OCC-Community Bank Procedures: To reduce regulatory burden, 70 percent of the non-complex banks with assets under \$250 million are now examined using standard, simpler procedures.
- > IRS-Postcard Program: To provide better customer service and save postage costs, IRS mails postcards in lieu of tax packages to taxpayers who use tax preparers. The taxpayer has the option of requesting tax forms by returning the postcard.
- > IRS-Michigan Caregivers for the Handicapped Employment Taxes: Through a joint project with the Michigan Department of Social Services, IRS has improved compliance and reduced taxpayer burden. Under new procedures, the state now pays the FICA and unemployment tax on the wages of caregivers instead of the handicapped taxpayers being responsible for them.
- > IRS-Maine Recreation Industry Compliance Education: Through a cooperative outreach program with the Maine Bureau of Taxation, tax compliance has increased and delinquencies have decreased by educating the state recreation industry on reporting requirements for wages and tips at restaurants.
- > IRS-Electronic Forms Dissemination: Unlimited access to tax forms and publications, answer to frequently asked questions, sources of free tax help and other information are available for anyone with a computer, modem and printer. With Internet access, IRS products can be read and downloaded.
- > FMS-Risk Management for Housing Loans: FMS took the initiative to link data bases of the principle agencies which guarantee housing loans, pro-

lenders with high default rates and reducing the exposure to defaulted loans.

- Customs-National Initiative Committee for Entry (NICE) National Entry Work Station (NEWS): Forty-one scripts (MACROS) have been developed for inputting customs information; over 24,000 staff hours are saved annually by use of the three that have been approved for national use. These scripts were developed by Customs employees in a part-

nership among employees, the National Treasury Employees Union, and Customs management.

- IRS-Headquarters Operations' Customer Service Center (CSC): The CSC's service to IRS internal customers has been reinvented through the elimination of red tape, enhanced customer feedback, central point processing, and paperwork reduction improving the administrative support and services provided to these customers.

SEVEN BOLD IDEAS

Treasury generated hundreds of ideas for Phase II of government reinvention (REGO II). Some of them were old; some new. Over the weeks between January and April 1995, they were whittled down to 89 ideas as they filtered through the Bureaus up to Department of Treasury senior management. Those that were shed long the way were not lost. Rather, they will be the responsibility of a Bureau, or maybe a sub-organization of a Bureau. Only a few ideas moved forward to receive the full weight and support of the Department of the Treasury and the National Performance Review staff. Treasury's Seven Bold Ideas for Phase II are:

- (1) **Integrate Management of Delinquent Debt,**
- (2) **Federal/State Tax Partnership,**
- (3) **Simplified Tax and Wage Reporting System,**
- (4) **Consolidate NPR Targeted Services,**
- (5) **Streamline Treasury Field Offices,**
- (6) **Integrate Management of Border Operations, and**
- (7) **Currency Smart Card.**

Are these bold ideas? Just ask the people who have to make these ideas become reality. Each requires multiple agencies and bureaus to join forces with the same mission. The assigned staffs must forget their turf and imagine how to make the systems work better for the American public. Many of the ideas require legislation to allow the government to change the way it does business. Often they require the government to wade into the difficult arenas of privacy and security. Most are initiatives which would be much easier not to do. They may appear to be common sense to outsiders, but they will require a concerted effort to implement. Briefly, here is a little information on the seven ideas.

Integrated management of delinquent debt collection is a Treasury-led government-wide initiative to improve the methods that the government uses to collect the approximately \$120 million in overdue debt owed it. The initiative, which also involves the Social Security Administration, Veterans' Affairs, and Education, among others, has been submitted to Congress in the form of legislation with hearings scheduled for the Fall, 1995.

A closer partnership between the Federal and State governments will eliminate duplication of effort. More importantly, it will reduce the compliance burden on

share and exchange data where appropriate, thus reducing the need for the taxpayer to provide the same data to multiple agencies. Partnerships are also being built around compliance activities and taxpayer assistance. Much more can be done in this area with the proper legislation.

In a similar vein, simplifying tax and wage reporting holds the promise of a sharp reduction in the cost to government and the burden to taxpayers. This initiative brings together the Social Security Administration and the Department of Labor, along with the Department of the Treasury, IRS, and the states to harmonize the definition of wage codes and to bring some uniformity to the laws, procedures, and regulations which govern wages, contractors, and unemployment compensation.

The goal of this NPR initiative is to reduce the FTE's in the targeted areas of budget, accounting, procurement, and human resources. Consolidation of bureau activities, franchising arrangements, or the use of Cooperative Administrative Support Units (CASU) will save millions of dollars in Treasury alone, while providing effective service to the customer.

Streamlining Treasury field offices allows for the sharing of facilities, equipment, and support staff among the Treasury Bureaus. Again, this will eliminate unnecessary duplication of office space, telecommunications, and support positions.

The integration of management border operations is an initiative which joins the U.S. Customs Service and the Immigration and Naturalization Service in an effort to reengineer the passenger processing at airports, the southern border and northern border. The effort is intended to maximize the expertise of each agency while redesigning the process to reducing overlapping activities whenever possible. The objectives are to improve the effectiveness and efficiency in a cooperative manner.

Have you ever heard of smart cards, digi-cash, electronic cash, and currency cards? If you haven't, you are missing out on the beginning of a major cultural change for the world. Some say coin and paper currency will be eliminated in the not too distant future. Others say the amount of currency will be significantly reduced, but not eliminated by these new types of money. In any case, the Treasury is launching a multi-agency study to look more closely at this phenomenon and to stake out